GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:496
ANSWERED ON:20.02.2003
DEVELOPMENT OF PUBLIC SECTOR UNDERTAKINGS
P.D. ELANGOVAN

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government have any plans to reconstitute the Board of Directors and Executive Directors of the PSUs;

(b) if so, the details thereof alongwith the composition;

(c) the steps taken by the Government to promote and project our PSUs to be on par with best in the business;

(d) the details of the amount allocated, disbursed and utilized for the development of the PSUs;

(e) whether the Government finds it very difficult to mobilize funds for the development of the PSUs;

(f) if so, the details thereof; and

(g) The contribution made by the Union Government in the last three years for the development?

Answer

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL)

(a) and (b) : As per Government guidelines, the Board of Directors of PSUs should have 3 categories of Directors, namely, Functional Directors, part-time Government Directors and non-official part-time Directors whose number should be at least one-third of theactual strength of the Board. In the case of listed companies with Executive Chairman, at least half of the Board should consist of Independent Directors. This is an ongoing process.

(c) : The PSUs enjoy powers to promote and project themselves to be at par with the best in the business. The Government are granting Navratna and Miniratna status to continuously profit making PSUs, which gives them enhanced financial and operational powers to enable them to compete with other companies.

(d) to (g) : The investment made by the Central Government in PSUs during 1998-99, 1999-2000 and 2000-01 was Rs.3095 crores, Rs.8063 crores and Rs.9711 crores respectively.